Exports (Control) Act, 1947 (for cases prior to 1992) and Rules and Orders made thereunder. The Customs Authorities also initiate Adjudication proceedings in all such cases under the Customs Act, 1962.

Steps taken to realise the amount of default include (i) enforcement of Bank Guarantees; (ii) suspension/cancellation of licences; (iii) suspension/cancellation of Import-Export Code Number; (iv) refusal to grant further licences; (v) recovery of penalty amount as arrear of land revenue.

New Pass Book Scheme

1257. SHRI NARENDRA MOHAN: Will the Minister ©f COMMERCE be pleased to state:

(a) whether Government are considering to introduce any new special pass book scheme in the export-import policy; and

(b) the benefits to exporters on introduction of such scheme?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) and (b) Government of India have already notified various schemes to neutralise the disadvantage suffered by Indian exporter. Various suggestions have been received for Exim Policy review as well as review of different schemes. The suggestions are being examined and shall be given due consideration in the revised edition of the Exim Policy to be declared shortly.

Indo-Nepal Trade and Transit Treaty

1258. SHRI NARENDRA MOHAN: Will the Minister of COMMERCE be pleased to state:

(a) whether Government's renewed Indo-Nepal Trade and Transit Treaty would bring any effect on Indian Economy; and

(b) which sector of industries are going to get benefited from the treaty?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) and (b) Indo-Nepal Treaty of Trade was renewed in December, 1996 and the Treaty of Transit was renewed in January, 1999.

The Provisions of the renewed Treaty of Trade having its impact/effect on Indian Economy are:—

(I) Nepal allows imports of manufactured products from India at concessional rates of customs duty.

(II) Exports of primary products from India to Nepal are given preferential treatment and are exempted from basic customs duty and quantitative restrictions.

(III) Payments for all transactions between India and Nepal are allowed in the local currencies. However, few items are being exported to Nepal against free foreign exchange.

(IV) The Nepalese manufactured products, except for a Negative List, are allowed access to the Indian market free of customs duty and without quantitative restrictions. However, additional customs duty equal to excise duty payable on similar products in India remain leviable on imports from Nepal. In case this leads to surge in the import of a particular item from Nepal, the two Governments enter into consultations to take appropriate measures.

The Treaty of Transit is aimed at providing access to the Nepalese traffic-in-transit through the Indian territory to promote its international trade. This Treaty, therefore, does not bring any tangible effect on the Indian economy.